



# Activity Review

## North Carolina State Board of Certified Public Accountant Examiners

1101 Oberlin Road, Suite 104 • PO Box 12827 • Raleigh, NC 27605 • 919-733-4222 • No. 03-2007

## 2007-2008 On-Line License Renewal Now Available

North Carolina CPAs may now complete their 2007-2008 license renewals on-line through the Board's web site, [www.nccpaboard.gov](http://www.nccpaboard.gov).

Although the Board is not sending paper renewal forms to licensees, forms will be sent to those licensees who specifically request a form. [*For instructions on requesting a renewal form, please see Page 7.*]

To renew on-line, a CPA must have his or her NC CPA certificate number, his or her Social Security number, the number of CPE hours completed to meet the 2006 CPE requirement, and a valid MasterCard or VISA account number with the card expiration date.

Please note that each licensee's renewal must be a separate and distinct on-line transaction.

If your firm has multiple licensees and prefers to submit a lump sum payment by mail and needs renewal forms faxed or e-mailed to the firm, please submit a list of the licensees and their certificate numbers by fax to (919) 733-4209 or by e-mail to [alices@nccpaboard.gov](mailto:alices@nccpaboard.gov).

To access the on-line renewal, log onto the Board's web site, [www.nccpaboard.gov](http://www.nccpaboard.gov), and click on the "on-line renewal" link located at the bottom of the menu on the left-hand side of the page.

On the renewal page, click on the "individual" link to launch the renewal process.

**NOTE:** If you wish to keep a copy of the information submitted during the renewal process, you must print each page of the on-line renewal after you have completed the information required, but before clicking the "submit" button.

On the "Licensee Log-In" page, enter your Social Security number including dashes (XXX-XX-XXXX) and your certificate number and click "submit."

If the Social Security number and certificate number entered match the information in the Board's records, the first page of the on-line renewal, "Permit Data on File," will display.

This page of the renewal pertains to your contact information, concentration area, occupation area, job title, and AICPA and NCACPA membership information.

You must provide the Board with a complete address, including business name, mailing address, e-mail address, and telephone number so that the Board will have complete and accurate information and will be able to contact you.

To update your address(es), click on the blue highlighted link (such as Mailing Address or Home Address) to

change each type of address (mailing address, home address, or business/practice address).

If you do not provide a complete mailing address you will not be allowed to continue with the renewal process.

If you are using your home address or business/practice address as your mailing address, you do not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address).

Please note that the address you select as your mailing address is the address that will be displayed in the searchable database on the Board's web site. If you do not want your home address to display on the Board's web site, you must select your business/practice address as your mailing address.

In the "Certificate and Licensee Information" section, select the proper occupation and concentration category from the pop-up lists, type in your job title, indicate if you are a member of the AICPA or NCACPA, and click the "continue" button.

**Renewal**  
*continued on page 2*

## Renewal *continued from front*

Your CPE compliance information will be entered on Page 2 of the renewal.

Please read each item carefully, select the appropriate answer, and click "submit."

**NOTE:** If you select answer "B" because you were licensed after January 1, 2007, you will not be able to view Page 3 where licensees who report CPE will enter the CPE hours completed. Instead, you will be automatically directed to Page 4.

The third page of the renewal is used to calculate the number of CPE carry-forward from 2005, the CPE credit hours earned in 2006, and the CPE hours for carry-forward into 2007.

If the number of carry-forward hours brought forward from 2005 (Block A) does not agree with your records, please contact Lisa Moy by telephone at (919) 733-1423 or by e-mail at [lmoy@nccpaboard.gov](mailto:lmoy@nccpaboard.gov). Ms. Moy will verify your claim so that you may complete the renewal process.

The system will automatically add the carry-forward hours earned in 2005 (Block A) to the CPE hours earned in 2006 (Block B), and place the total in the Block C.

The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20).

**NOTE:** If your CPE requirement for 2006 was prorated, you may carry forward up to 20 hours in excess of your requirement.

Click the "submit" button to be taken to Page 4 of the renewal, "Moral Character Data."

On this page, answer each question and type a brief explanation of each affirmative answer in the text box at the bottom of the page and click "submit."

The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application.

Page 5 is an affirmation which states that you have read the North Carolina Accountancy Statutes and Rules. The statutes and rules are available on the Board's web site, [www.nccpaboard.gov](http://www.nccpaboard.gov).

In addition, you are certifying that the information provided on the renewal form is correct and complete. When you accept the statement on Page 5 and click the "submit" button, you will be directed to the payment page.

The Board's web site is certified by Comodo as secure for web-based transactions and all e-commerce transactions are directed through the VeriSign gateway.

For additional information about Comodo, please visit [www.comodogroup.com](http://www.comodogroup.com), and for additional information about VeriSign, please visit [www.verisign.com](http://www.verisign.com).

In addition, the underwriters at BB&T, the Board's financial institution of record, have reviewed and approved the payment transaction portion of the Board's web site.

All fields on the payment page of the renewal are required. If you do not fill in all fields correctly, the transaction will fail and you will be prompted to correct the information you entered.

The Board only accepts MasterCard and VISA for on-line payment of the renewal fee; your account information is not submitted until you click the "submit" button.

After the transaction is complete, you may print the acknowledgment page to confirm that your renewal was processed; your credit card statement serves as your payment receipt.

A licensee who does not wish to submit credit card information using the secure web site, but still wishes to pay by credit card may submit a copy of his or her on-line renewal form by answering all questions on each page of the renewal, printing each page as it is completed but before clicking "submit," signing the renewal, and faxing the completed pages, including the completed credit card information page, to the Board at (919) 733-4209.

A licensee who wishes to submit

the renewal form with a check or money order may do so by answering all questions on each page of the renewal, printing each page as it is completed but before clicking "submit," signing the renewal, and mailing the completed pages, with a check or money order for \$50.00 payable to "State Board of CPA Examiners," to PO Box 12827, Raleigh, NC 27605-2827.

On-line renewals are processed in real time; the Board's database is updated immediately.

To check the status of your renewal, use the "Licensee Search" function of the web site to verify that your license expiration date has been changed to June 30, 2008.

Board staff recommends that licensees not wait until June 30 to complete the on-line renewal due to potential server slowdowns which may prevent your renewal from being processed.

Licensees who do not submit a properly completed renewal and the \$50.00 fee prior to July 1, 2007, may receive a Letter of Demand from the Board. Failure to submit the renewal form and fee within 30 days of the mailing of the Letter of Demand will result in an automatic forfeiture of the licensee's NC CPA certificate.

Licensees who elect to be placed on retired or inactive status may do so by submitting the proper form to the Board prior to July 1, 2007.

Forms for inactive or retired status are available on the web site, [www.nccpaboard.gov](http://www.nccpaboard.gov), or by calling (919) 733-4222.

If you have questions regarding the renewal process, please contact Buck Winslow, Manager of Licensing, by e-mail at [buckw@nccpaboard.gov](mailto:buckw@nccpaboard.gov) or by telephone at (919) 733-1421.

**Renewal  
deadline is  
June 30.**

# 2007-2008 NORTH CAROLINA ON-LINE CERTIFICATE RENEWAL INSTRUCTIONS

*The instructions printed below and on the following pages are essential to the on-line renewal process. It is suggested that you read these instructions carefully before attempting to complete the on-line renewal process. These instructions are also available for review on the Board's web site, [www.nccpaboard.gov](http://www.nccpaboard.gov).*

We encourage you to renew early. If there is a problem with your renewal and staff finds it at the beginning of the renewal season, you may have time to correct it. If you renew close to the June 30 deadline, you may encounter renewal server slowdowns and you may have missed your opportunity to correct problems. Licensees who fail to renew will forfeit their CPA certificates. You may print the final renewal acknowledgment page to confirm that your renewal was processed; your credit card statement also serves as your receipt. If you wish to keep a copy of the information submitted, you may print each page of the on-line renewal after you have completed the information required, but before hitting the "submit" button. You may also check your personal record in the "Licensee Search" section of our web site, [www.nccpaboard.gov](http://www.nccpaboard.gov), to confirm an updated expiration date for your certificate. The web site is updated in real time.

You will need four things to complete your renewal, 1) your North Carolina CPA certificate number; 2) your Social Security number; 3) the number of CPE hours earned to meet the 2006 requirement; and 4) a MasterCard or VISA number and expiration date. The Board's web site is certified as secure for web-based transactions.

**I.** Page 1 of the on-line renewal lists your personal information from our files. Please review and correct the information as necessary so that our records are current and complete. You must provide the Board with a full address, including business name, mailing address, e-mail address, and telephone number so that the Board will have complete and accurate information and will be able to contact you if necessary. To update your address(es), click on the blue highlighted link (such as Mailing Address) to change each type of address (mailing address, business/practice address, or home address). You will not be allowed to complete your renewal and exit the system without providing a mailing address. If you are using your home address or business/practice address as your mailing address, you do not need to list the same address in two categories (such as mailing address and home address or mailing address and business/practice address). Do not list an address change that is more than two weeks in advance. Use only the occupation and concentration categories provided in the pop-up lists.

**II.** Page 2 of the on-line renewal pertains to the mandatory CPE requirement.

**A.** If you completed the 40-hour requirement in calendar year 2006, including at least eight (8) hours of non-self study credit and the required Board-approved ethics course, check item "A." If you were certified in North Carolina during the second, third, or fourth quarters of 2006, your CPE requirement for that year is prorated (30 hours, 20 hours, and 10 hours respectively). Hours earned in excess of the minimum requirement may be carried forward into 2007 (maximum carry-forward is 20).

**B.** If you were certified in North Carolina after January 1, 2007, check item "B" because persons certified after that date may not report any CPE earned in 2006 or any carry-forward. You will not be able to view Page 3 where licensees who report CPE input the hours taken. You will be automatically redirected to Page 4 instead.

**C.** If you took some of your 2006 CPE after the December 31, 2006, deadline, but before June 30, 2007, and you need to use those courses to meet your 2006 requirement, check item "C." Note that taking

**continued on Page 4**

### **Continued from Page 3**

CPE after the deadline may result in a Letter of Warning pursuant to 21 NCAC 08G .0406(b). If you did not meet the CPE requirement by June 30, 2007, you do not qualify for renewal.

**D.** If you took some of your 2006 CPE after the December 31, 2006, deadline, but before June 30, 2007, and you were granted an extension, please check item “D.” Note that your extension must have already been approved by the Board.

**III.** Report your CPE hours on Page 3. The Board will audit a sample of licensees to ensure compliance. Individuals selected for the CPE audit will be contacted by the Board and must provide the required documentation by the date specified.

**A.** Block A shows the number of carry-forward hours brought forward from 2005 (20 maximum). If this number does not agree with your records, please call (919) 733-1423 or e-mail [lmoy@nccpaboard.gov](mailto:lmoy@nccpaboard.gov) before completing the on-line renewal. Staff will verify your claim so that you may properly complete your renewal after the issue has been resolved.

**B.** Enter the total number of CPE hours for the courses earned in 2006. If you completed courses between January 1 and June 30, 2007, you may renew but you will be issued a Letter of Warning.

**C.** The renewal system will automatically add the carry-forward hours earned in 2005 (Block A) to the CPE hours earned in 2006 (Block B), and put the total in the Total Hours Reported block (Block C). Forty hours is the minimum total unless your 2006 CPE requirement was prorated [21 NCAC08G .0401(e)].

**D.** The hours available for carry-forward will be automatically calculated in Block D (carry-forward hours cannot exceed 20). NOTE: If your CPE requirement for 2006 was prorated, you may carry over up to 20 hours in excess of your requirement.

**IV.** Moral character data is requested on Page 4. Please answer the appropriate item(s) affirmatively and type a brief explanation in the text box at the bottom of Page 4. The moral character data for licensees who have not previously filed a certificate renewal is applicable for the period since the filing of their certificate application.

**V.** Page 5 is an affirmation which states that you have read the North Carolina Accountancy Statutes and Rules. The most current copy may be accessed on our web site, [www.nccpaboard.gov](http://www.nccpaboard.gov). You are also certifying that the information provided on the on-line renewal is correct and complete.

**VI.** We **only** accept MasterCard and VISA for payment. The renewal is considered incomplete if a credit card charge is not authorized by the issuing financial institution. If you wish to mail your completed form with a check or money order, you may do so by signing the last page of the renewal and submitting all pages of the completed form and the required fee to the Board at PO Box 12827, Raleigh, NC 27605-2827.

**Change of Status:** You may elect retired or inactive status by submitting the proper form. You may obtain forms for inactive or retired status by printing them from our web site, [www.nccpaboard.gov](http://www.nccpaboard.gov), or calling the Board office at (919) 733-4222. The deadline to request retired or inactive status is June 30. You may qualify for retired status if you are completely retired, will not receive compensation for **any** personal services (accounting or otherwise), and verify your intention never to return to active status. You must also verify that you will not sign as a CPA if you do any volunteer accounting work. You may request inactive status by sending the proper form by June 30. CPAs on inactive status may keep their CPA certificates but must confirm that they will not use the CPA title in any way while on inactive status. CPAs on inactive or retired status are not required to renew their certificates, report CPE, or pay a renewal fee.



# ESSENTIAL CONTINUING PROFESSIONAL EDUCATION (CPE) INFORMATION

**General Information** — All CPAs on active, conditional, form of practice, or probationary status must comply with the CPE requirements and pay an annual renewal fee. You are required to complete at least 40 hours per calendar year to renew your certificate. The deadline for reporting CPE credit earned is June 30. CPE hours are reported during the on-line certificate renewal process. Do not send a detailed listing of courses unless you are selected as part of the CPE audit sample or have received a letter specifically requesting documentation. CPE hours must be rounded **down** to the nearest half-hour after the first full hour of credit has been earned. The Board's CPE rules are found in Title 21, North Carolina Administrative Code (NCAC), Chapter 08G, Section .0400. Please refer to the Board's web site [www.nccpaboard.gov](http://www.nccpaboard.gov) for the current CPE rules.

**Self-Study Courses** — At least eight (8) hours of CPE credit earned in any calendar year must be non-self study, excluding any carry-forward hours used to meet the minimum requirement. Another self-study rule stipulates that the amount of credit for all self-study courses is based on the average completion time in 50-minute hours as determined by the sponsor. If you have questions about how the sponsor has calculated the hours recommended, you must contact the course provider directly.

One example of self-study material that **does not** meet the Board's requirement for appropriate instructional design is a "course" that consists of an examination on periodicals, guides, magazines, subscription services, books, reference manuals and supplements (e.g., *Journal of Accountancy*, *CPE Direct*, tax services and handbooks, audit guides, etc.). Such programs do not meet this requirement because the material studied is not designed primarily for CPE purposes. [21 NCAC 08G .0404(e)]

**Ethics CPE Requirement** — Effective January 1, 2006, the Board adopted 21 NCAC 08G .0410 which requires that all licensees take annually either two hours of Board-approved ethics CPE in a group study format or four hours of Board-approved ethics CPE in a self-study format. Information on courses that will satisfy the requirement is made available to licensees through the *Activity Review* and the Board's web site, [www.nccpaboard.gov](http://www.nccpaboard.gov). Effective January 1, 2007, a non-resident licensee who does not have an office in North Carolina is considered to have met the Board's ethics requirement if he or she meets the requirement in the jurisdiction where the licensee is certified and works or resides. If the jurisdiction of employment or residence does not require an ethics program, one of the North Carolina-approved courses must be completed. If you have questions about the ethics CPE requirement, please contact Lisa Moy by e-mail at [lmoy@nccpaboard.gov](mailto:lmoy@nccpaboard.gov).

**Registered Sponsors** — The Board registers sponsors who agree to conduct programs that enhance a CPA's professional skills and meet other minimum standards. These organizations have also agreed to keep records of their programs for five years. This requirement removes some of the burden of record keeping for CPAs taking the course, but it does not automatically mean that a CPA may claim credit for a course. You are responsible for selecting the CPE courses you attend and you should pick only those courses that will improve your professional competence. The Board's office maintains a database of registered CPE sponsors on its web site, [www.nccpaboard.gov](http://www.nccpaboard.gov). **The Board's staff can only confirm that a sponsor is registered, not that a particular course can be used for CPE purposes.** Due to the large number of licensees and the volume of courses offered, the Board staff cannot "pre-approve" CPE courses.

**Non-Registered Sponsors** — Pursuant to 21 NCAC 08G .0404(f), you may claim CPE credit for continuing education programs that are conducted by non-registered sponsors. You should refer to 21 NCAC 08G .0403 and .0404 for the types of coursework that might qualify, as well as the standards that such courses must meet. **You do not need to submit your documentation to the Board at the end of each year; keep it in your files for five years.** Complete and accurate information regarding sponsors and courses is essential. Such documentation should include, but is not limited to:

- 1) Proof of completion of a course (must include your name as the course participant, course title, date of completion, and CPE hours recommended). **This is the most important piece of documentation that you should save.** Proof of registration or copies of course agendas are **not** adequate proof of attendance;

*continued on Page 6*

## **Continued from Page 5**

- 2) The instructor's biography, indicating both general teaching competence and particular mastery of the subject matter of the course;
- 3) A description of the facilities used and the number of other participants;
- 4) Information about the course developer and sponsor; and
- 5) A description of course objectives, prerequisites, experience level, content, required advance preparation, teaching method used, and CPE credit recommended.

**General Guidelines** — CPE courses offered by any sponsor should be on a professional level and should relate to the field of accountancy. The seven approved subject areas for CPE programs are:

- 1) Accounting and Auditing
- 2) Consulting Services
- 3) Ethics
- 4) Management
- 5) Personal Development
- 6) Specialized Knowledge and Applications
- 7) Tax

**Examples of courses that may not meet such criteria are:**

- 1) Basic courses in accountancy and related technical subjects;
- 2) Programs not designed for professional competence, such as:
  - a) Information for the general public on matters such as personal money management, personal investments, elementary income tax, social security, and retirement benefits,
  - b) Sales-oriented presentations for office equipment and other system applications;
- 3) Programs that do not contribute to knowledge of the field of accounting, such as:
  - a) Programs restricted to the policies and procedures of a particular company or organization,
  - b) Programs presenting sophisticated scientific and technical knowledge generally considered beyond the scope required for the practice of accountancy.

**Audit of CPE Reports** – Staff will audit a computer-generated, random sample of licensees each year. If you are selected, it is your responsibility to contact sponsors and obtain verification from them if needed.

**On-line License Renewal** — The on-line license renewal **must** be used to report CPE hours. Do not send CPE certificates unless you are being audited. **Fractional hours must be rounded down to the nearest half-hour for each course after the first full hour of credit has been earned.**

**Carry-Forward Hours** – Carry-forward hours are designed to be an “insurance policy” to guard against situations where circumstances prevent a licensee from completing the full 40-hour CPE requirement by December 31. If you do not maintain 20 hours of carry-forward, you increase the risk of receiving a Letter of Warning or being ineligible to renew your certificate. Twenty (20) hours is the maximum carry forward. New North Carolina CPAs should also be aware that they may not claim carry-forward from the calendar year before the year they were certified **in North Carolina**. Carry-forward hours do not maintain their characteristics (*e.g.* self-study, group study, ethics, etc.). Note that you may earn half-hours after the first whole hour earned in a single program. Therefore, you may carry-forward CPE hours in half-hour increments. Note that CPE credit should be rounded **down** to the nearest half hour after the first whole hour has been earned.

**Extensions of Time to Complete CPE** — Extensions of time to complete CPE requirements may be requested by submitting a completed extension request form that is available on our web site. However, the Board will generally approve extensions only when circumstances indicate a severe personal hardship (*e.g.*, severe illness). Failure to complete courses on time due to business circumstances probably will **not** be approved. Note that extensions are not granted past June 30. Extension requests must be submitted by April 1.

**Penalties for Noncompliance** — Licensees who fail to comply with the CPE requirements are subject to a Letter of Warning or forfeiture as outlined in 21 NCAC 08G .0406(b).

## Request a 2007-2008 Renewal Form

All licensees are encouraged to complete the on-line renewal process for the 2007-2008 license year.

A licensee who does not wish to submit credit card information using the secure web site, [www.nccpaboard.gov](http://www.nccpaboard.gov), may submit a copy of his or her on-line renewal form by answering all questions on each page of the renewal, printing each page as it is completed but before clicking the submit button, signing the renewal, and faxing the completed pages, including the completed credit card information page, to the Board at (919) 733-4209.

A licensee who wishes to submit the renewal form with a check or money order may do so by answering all questions on each page of the renewal, printing each page as it is completed (but before clicking the submit button), signing the renewal, and mailing the completed pages, with a check or money order for \$50.00 made payable to **State Board of CPA Examiners, to: License Renewal, PO Box 12827, Raleigh, NC 27605-2827.**

A licensee who is unable to complete the renewal form on-line may request that a renewal form be faxed or mailed to him or her by calling the Board at **1-800 211-7930** and leaving a message which includes the licensee's full name, certificate number, fax number or mailing address, and a daytime phone number. A licensee who does not have Internet access may also request a renewal form by completing the form below and mailing or faxing the completed form to the Board.

Forms for inactive and retired status are available on the web site, [www.nccpaboard.gov](http://www.nccpaboard.gov) or by calling the Board at (919) 733-4222.

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### REQUEST FOR 2007-2008 LICENSE RENEWAL FORM

Please send a paper copy of my 2007-2008 license renewal form to my (circle one):

**Fax Number**

**Mailing Address**

**Full Name**

\_\_\_\_\_

**Certificate Number**

\_\_\_\_\_

**Business/Firm Name**

\_\_\_\_\_

**Fax Number**

\_\_\_\_\_

**Street Address/PO Box**

\_\_\_\_\_

**City/State/Zip Code**

\_\_\_\_\_

**Daytime Phone Number**

\_\_\_\_\_



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20,000 copies of this document were printed for this agency at a cost of \$2,898.88 or approximately 14.5¢ per copy in March 2007.

## Notice of Address Change

Certificate Holder \_\_\_\_\_  
Last name Jr./III First Middle  
Certificate No. \_\_\_\_\_ Send Mail to ☐ Home ☐ Business  
New Home Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
CPA Firm/Business Name \_\_\_\_\_  
New Bus. Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone: Bus. ( ) \_\_\_\_\_ Home ( ) \_\_\_\_\_  
Bus. fax ( ) \_\_\_\_\_ E-mail Address \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_

Mail to: NC State Board of  
CPA Examiners  
PO Box 12827  
Raleigh, NC 27605-2827

Fax to: 919-733-4209

Certificate holders not notifying the Board in writing within 30 days of any change in address or business location may be subject to disciplinary action under 21 NCAC 08J .0107.